GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Mines & Minerals – Minor Minerals – One Time Settlement (OTS) scheme for Pending Revision, Appeal Cases, Demand Notices and Show Cause Notices – Guidelines and Modalities - Orders - Issued.

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INDUSTRIES & COMMERCE (MINES-II) DEPARTMENT

G.O.Rt.No.131 Dated:07.08.2025

Read the following:

(1) G.O. Ms. No. 57, Ind & Com (Mines-III), dated 18.04.2025
(2) From the Commissioner & Director of Mines & Geology, AP, single e-file bearing Comp No. 2905801, dt.17.07.2025.

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O R D E R

In the reference 1st read above, Government introduced Andhra Pradesh Minor Mineral Policy 2025 in which it approved the implementation of One Time Settlement Scheme and directed the Commissioner & Director of Mines & Geology A.P. to submit proposals with detailed guidelines to facilitate faster resolution of pending cases and operationalization of leases to further position the sector as a key contributor to economic growth and employment generation in the State.

2. In this regard, Commissioner and Director of Mines & Geology vide reference e-file 2nd read above submitted that more than 1,900 cases involving a cumulative penalty amount of ~ Rs. 1,800 Crores have been pending at various stages and the proposed One Time Settlement (OTS) Scheme is projected to generate a revenue of more than Rs. 100 Crores. Further he submitted that beyond the immediate fiscal benefit, the scheme holds significant potential to operationalize the associated leases and Mining Development Licenses (MDLs), thereby unlocking stalled assets and facilitating economic activity in the sector.

3. He further submitted the detailed guidelines and modalities of the One-Time Settlement Scheme and requested the Government for issuance of necessary orders to operationalize the scheme in a time-bound and transparent manner.

4. Government after careful examination of the circumstances reported by the Commissioner & Director of Mines & Geology, A.P. vide e-file 2nd read above, have decided to introduce One Time Settlement Scheme for Pending Revision, Appeal Cases, Demand Notices and Show Cause Notices with the proposed terms and conditions, as below:-

A. **OBJECTIVES**

(a) Resolution of legal and financial bottlenecks.
(b) Facilitation of revival of genuine leaseholders and MDL Holders
(c) Enhance revenue recovery through a structured and time bound mechanism.
(d) Reduction of litigation and administrative burden.

B. **APPLICABILITY**

(a) All Minor Mineral leaseholders and MDL holders, excluding Ordinary Sand.

(b) Cases with pending revision/appeal proceedings, demand notices, or show cause notices issued prior to the date of the Government Order.

(c) Leaseholders/MDL holders not involved in criminal proceedings related to mining violations.

(d) Violations reported and ETS/Drone Surveys yet to be taken up.

C. **VALIDITY PERIOD**

(a) The scheme shall remain valid for a period of one year from the date of issuance of this order.

(b) Payment of first instalment must be made within this validity period to avail the benefits.

D. **APPLICATION AND VERIFICATION PROCESS**

(a) Applications shall be submitted online through a designated portal.

(b) Upon submission, the concerned Deputy Director of Mines & Geology shall verify the particulars of the demanded amount.

(c) Once the amount is finalized, the applicant shall be permitted to pay 25% of the total OTS Amount, upon which their Lessee ID/MDL ID shall be unblocked, allowing them to resume operations.

E. **SETTLEMENT TERMS**

(a) The OTS Amount shall be calculated based on the nature of the original penalty.

(b) If Penalty = 10 times of Normal Seigniorage Fee, OTS Amount is (Seigniorage Fee + Consideration Amount + DMF + MERIT) + 2 times of Seigniorage Fee

(c) If Penalty = 5 times of Normal Seigniorage Fee, OTS Amount is (Seigniorage Fee + Consideration Amount + DMF + MERIT) + 1 time of Seigniorage Fee

(d) If Penalty = Price of Mineral along with Seigniorage Fee, DMF and MERIT, OTS Amount is 20% of the demanded amount.

(e) These revised amounts shall automatically apply in place of the original penalties mentioned in the show cause or demand notices.

(f) The rate of Seigniorage Fee shall be applicable as on the date of the issue of demand notices.

F. **PAYMENT MECHANISM**

(a) 25% of the total OTS Amount to be paid upfront for unblocking operations.

(b) Remaining 75% to be paid in 10 monthly installments.

(c) Upon full payment, a Clearance Certificate shall be issued to the applicant.

(d) An interest rate of 12% per annum will be levied on any delayed installment payments.

(e) If the applicant fails to complete the full payment of the OTS amount within the stipulated 10-month period, all benefits and concessions granted under this scheme shall be revoked. In such cases, the entire outstanding amount shall be treated as per the original demand notice, and recovery proceedings may be initiated accordingly.

G. **POST SCHEME ENFORCEMENT**

(a) After the expiry of scheme period, a special enforcement drive shall be undertaken against defaulters who failed to avail the scheme, under the provisions of the APMMC Rules and the Revenue Recovery Act.

H. **PUBLICITY AND OUTREACH**

(a) The Department shall undertake wide publicity through print and electronic media to ensure that all eligible stakeholders are informed and encouraged to participate in the scheme.

(b) A Monitoring Committee at the state level shall be constituted to oversee the implementation and handholding the applicants and address the grievances.

(c) The online portal shall facilitate tracking of applications, payments, and issuance of clearance certificates.

5. The Commissioner and Director of Mines and Geology, Ibrahimpatnam shall take further necessary action in this matter accordingly.

(BY ORDER IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

PRAVIN KUMAR

SECRETARY TO GOVERNMENT (MINES)

To
The Commissioner & Director, Mines & Geology, A.P, Ibrahimpatnam, NTR District

Copy to:

The Secretary to Govt, Ministry of Mines, Govt of India, Shastry Bhawan, New Delhi.
The Finance (FMU, I&C, I&I & Energy) Department
The Law Department
The PS to Spl.CS to CM.
The OSD to Minister (Mines & Geology)
The PS to Secy. To Govt (Mines)
SF/SC (C.No: 2906197)

//FORWARDED :: BY ORDER//

SECTION OFFICER